



UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
NEW YORK REGIONAL OFFICE
200 VESEY STREET, SUITE 400
NEW YORK, NY 10281-1022

NANCY A. BROWN
TELEPHONE: (212) 336-1023
EMAIL: BROWNN@SEC.GOV

June 1, 2016

VIA ECF

Hon. Vernon S. Broderick
United States District Judge
Thurgood Marshall Courthouse, Room 415
40 Foley Square
New York, NY 10007

Re: SEC v. Galanis, et al.;
No. 15 Civ. 7547 (VSB)

Dear Judge Broderick:

We represent the Plaintiff, Securities and Exchange Commission ("Commission"), in the above-referenced matter.

As directed by the Court's endorsed Order, entered December 1, 2015, on the parties' Stipulation and Order staying the instant matter pending resolution of a parallel criminal case filed against Defendants, the Commission provides the following status letter.

The parallel criminal action against each of the Defendants, captioned, United States v. Galanis, et al., 15 Cr. 643 (PKC) (S.D.N.Y.) ("Criminal Action"), remains pending, with a trial date still set for September 12, 2016 (Criminal Action DE 164.) One Defendant, Gavin Hammels, entered a guilty plea on March 22, 2016. His sentencing date has not yet been set.

In addition, just yesterday, a criminal indictment against three Defendants, Jason Galanis, John Galanis and Gary Hirst, was filed in another criminal action instituted by criminal complaint in May 2016, captioned United States v. Galanis, et al., 16 Cr. 371 (RA) (S.D.N.Y.). The Commission had filed its own, parallel civil charges against these Defendants in SEC v. Archer, et al., 16 Civ. 3505 (WHP) (S.D.N.Y.) in May. The latest charges arise out of a separate scheme to defraud that Defendants, and others, perpetrated after the conduct forming the basis of the charges in the action before this Court.

The Commission will file its next status letter on September 1, 2016, or whatever other date the Court should order.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Nancy A. Brown", is written over a horizontal line.

Nancy A. Brown

Hon. Vernon S. Broderick

June 1, 2016
Page 2

cc: All Defendants by email